

UNISON FINANCIAL STATEMENTS

For the year ended 31 December 2015

UNISON

FINANCIAL STATEMENTS

For the year ended 31 December 2015

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FOREWORD TO THE 2015 FINANCIAL STATEMENTS

Dear Treasurers, Secretaries, Fellow Stewards, Members and Staff

It is once again my pleasure to present the foreword to the 2015 Financial Statements.

Colleagues, the year has been quite challenging for us as a union in more ways than one as you will no doubt be aware. The ongoing and crippling austerity measures are hurting our members forcing many out of jobs and to leave the union but almost as many to join. We must not underestimate the potential harm the current Tory government is trying to inflict with its policy and legislation on union democracy. While we celebrate the recent successful lobbying that has secured the continued provision of DOCAS, we cannot be complacent and we will continue to do everything we can to protect this union and its members.

As you go through the Financial Statements bear in mind that we have allocated funds to fight these attacks now and over the coming few years. The Fighting Fund will have provided an extra £29.2m from General Funds to directly support branches, creating some 100 extra posts for each year since 2011. This is achieved against a background of falling subscription income, from a peak of £173.4m in 2011 to £165.8m in 2015, with national and regional expenditure cuts to match and through strict budgetary controls. Branches continue to support the initiative with contributions of their own for which the Finance and Resource Management Committee is grateful. Any such funds ring fenced within reserves will be deployed towards resources to ensure we maintain our ability to recruit, organise and campaign on behalf of our members. We will continue to resist the government attacks on our members and public services both now and in the future.

The Finance & Resource Management Committee continues to monitor the challenges ahead. It is in this context that we have set our short and medium term budgets. It is also with this in mind that we have invested in the further development of systems to help branches cope with strain of financial management. OLBA has been welcomed by branches and continues to gather strength and momentum as a budgeting and reporting mechanism.

As mentioned above, our subscription income in 2015 stood at £165.8 million and that's four consecutive years of decline in income. This is a critical time for the union's finances and it is vital that across the organisation we set balanced budgets not just to ensure effective use of all our resources but also the sustainability of this union for years to come. The Finance and Resource Management Committee recognises that the current branch funding formula while providing sufficient funds for branches collectively does not deliver adequate funds to some branches already struggling. We have been testing alternative ways of assessing branch needs through needs driven budget based approach (Activity Based Budgeting – ABB) as it was piloted. This will also enable us to identify those branches which require additional support.

Whether ABB delivers a long term solution remains to be seen but regardless of that, all branches are required to set budgets and hence training and support has been and will continue to be provided to assist branch officers to achieve budget setting against our objectives. The union's total reserves at £235.8 million (before pension's deficit offset) remain strong but our strength lies in our ability to manage within our means.

Those branches facing genuine financial difficulties in the short term are being assisted and Section C of the current branch funding scheme was specifically introduced to assist in such circumstances. I would therefore remind any branch that is struggling with its finances to get in touch with their region or senior finance managers in UNISON Centre as soon as possible.

Colleagues will recall that actuaries triennial review of the staff pension fund took place in June 2014. The review had indicated an increased deficit of £123 million. Whilst the existing recovery plan continues to work as planned, adverse volatile financial markets have impacted most defined benefits schemes, if not all. The pension scheme trustees, senior officers, staff trade unions and Staffing Committee have jointly put together a revised recovery plan. This revised plan is designed to effectively address an increased deficit of £156 million to take into account some future volatility and to ensure UNISON remains committed to a defined benefits scheme for all employees.

The Finance & Resource Management Committee continues to closely monitor costs being incurred (or likely to be incurred) whilst also keeping a watchful eye on subscription income. The future is not entirely gloomy and the financial statements show that we are a resilient union, taking these challenges head on and we will continue to serve and support our members through all adversity. Collaborative efforts have seen us through thus far and recruitment and retention is improving but with more to be done to grow income and membership.

In closing I would like to thank the current members of the Finance & Resource Management Committee, particularly vice-chair Lucia McKeever, for all their hard work and the support they have given me during the year as Chair. We thank all the branch treasurers who work tirelessly throughout the year, particularly through these difficult times, contributing to and making progress on so many fronts that help to keep this union a strong and vibrant force to be reckoned with.

I would like to extend my thanks to all the staff in the finance department for their professionalism, advice and friendship throughout the year.

Finally, many thanks to you the reader for being a member of our union and taking such an active part in it. We knew we would have a fight on our hands but we are in this fight together.

Josie Bird

Chairperson, Finance and Resource Management Committee

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REPORT ON THE 2015 FINANCIAL STATEMENTS

1 Introduction

The Financial Statements for UNISON are prepared in accordance with legislation on trade unions, internal rules and financial reporting standards.

This is the first year that UNISON has prepared its financial statements under Financial Reporting Standard 102 (FRS 102). Effective date for the transition being 1 January 2014. For UNISON the transition to FRS 102 has resulted in a small number of changes in accounting policies compared to those used previously. The union has restated the comparative prior year amounts accordingly and a summary of adjustments is provided as note 22.

The Financial Statements are a consolidation of the union activity at National, Regional and Branch level and include financial data on staff pension schemes in accordance with FRS102 within the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position.

In addition UNISON has consolidated the activities of its subsidiary The College of Operating Department Practitioners (COPD) but only for 2014 comparatives as COPD became dormant in 2014; and the joint venture Managers in Partnership (MiP) into the financial statements to comply with FRS102. It does this by means of the Group Account Column shown in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

Details of the results for this year are contained on pages 6 to 28 of these Financial Statements.

2 UNISON General Fund

Subscription Income at £165.8 million is down 1% from 2014, a major achievement considering the ongoing government austerity programme. Political fund contributions and the allocation to the Industrial Action Fund is made from members subscriptions which total £7.8 million. Other non membership and external income generated by the union is £8.9 million. Operating expenditure for the year was £164.2 million. Other exceptional financial transactions generated £3.5 million in net revenue mainly due to the transition to FRS 102 which requires investments to be valued at fair value and not historical cost as previously reported.

The General Fund covers the National Executive Council (NEC) activity, Regional Lay activity and Branch activity. The overall surplus of £9.8 million is attributable as follows – to NEC £8.8 million, branches £1.2 million and regional lay (£0.2) million. General Fund reserves are increased by the overall surplus of £9.8 million, taking it to £208.1 million.

3 UNISON Industrial Action Fund

UNISON continues to support Members and Branches in dispute with their Employers. The 2003 Conference agreed that at least 1% of subscription income less branch funding should be allocated to the Industrial Action Fund.

The Industrial Action Fund reserves at £27.7 million has increased by 3.4% from 2014. This year £0.6 million was spent supporting industrial action (2014 £1.8 million)

4 UNISON Pension Schemes

The union operates two defined benefit schemes, the UNISON Staff Pension Scheme and the 1974 COHSE Pension and Assurance Scheme. Both schemes are independently valued by an Actuary every three years for the Trustees of these schemes. Contributions are then paid to the schemes in accordance with the schedule of contributions drawn up and signed by the Employers and Trustees, to address any deficit arising from the valuation and on future accrual of benefits. Thus both schemes have a clear recovery plan in place to meet the deficits on the schemes.

UNISON is required to value its staff pension arrangements in accordance with FRS 102 Section 28. This standard sets out the basis of such valuation and this may differ in terms of assumptions made from that used by the Trustees of the schemes and the scheme Actuary. For 2015 the valuation is undertaken in accordance with FRS102 and can be volatile year on year depending on financial and economic circumstances prevailing at that point in time. The valuations has highlighted a decrease in the deficit in terms of the value of pensions liabilities over assets, primarily due to changes in technical assumptions and other factors including inflation and salary increases.

As at 31st December 2015 the valuation indicated a deficit of £102.3 million (2014 £133.3 million as re-stated). The main reason for the decrease in the deficit of £31.0 million from 2014 is due to a marginal increase in AA bond yields (leading to an increase in the FRS 102 discount rate), better than expected investment returns and the unions contributions to the Schemes being higher than the FRS 102 cost of the benefits accruing over the year. Under FRS 102 the actuarial gain is recognised in the Consolidated Statement of Comprehensive Income.

5 Reserves and assets of UNISON

UNISON has reserves of £235.8 million against which the pension scheme deficit of £102.3 million is set, giving net reserves of £133.5 million and the assets representing them are:

	GROUP 2015 £m	GROUP 2014 £m
Fixed Assets	98.3	102.7
Investment Assets	4.2	2.0
Intangible Assets	5.6	5.7
Short term deposits and cash at bank	123.3	110.5
Net Current Asset/Liabilities – excluding cash at bank and deposit	4.4	4.2
	<u>235.8</u>	<u>225.1</u>
Fair Value of Pension Schemes Assets	518.3	496.0
Present value of Pension Scheme Liabilities	(620.6)	(629.3)
Less: Pension defined benefit obligations	<u>(102.3)</u>	<u>(133.3)</u>
Total Net Assets	<u>133.5</u>	<u>91.8</u>

It is important to note that pensions accounting can be volatile, from year to year. This is particularly true of the Consolidated Statement of Financial Position figure, as the fair value of the assets is largely linked to the equity markets, whereas the value of the defined benefit obligation is linked to yields on AA-rated corporate bonds.

As an indication, an increase in the discount rate of 0.1% pa would, other things being equal, lead to a decrease in the value of the liabilities of broadly £10m. Also, a 5% rise in equities would, other things being equal, reduce the deficit by about £11m.

6 Funding for Branches and the Regional Pool

The funding formula agreed at the 2001 Conference came into operation on 1 January 2002. Under the formula at least 23% of subscription income has to be available for direct funding of branches with a further 0.5% available for the direct funding of the

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REPORT ON THE 2015 FINANCIAL STATEMENTS

regional pool. If the direct funding of branches is not utilised, any balance is credited to the regional pool.

Funding available in 2015 was £38.9 million being 23.5% of subscription income of £165.8 million. In the year £38.1m was credited to branches with the balance of £0.8 million being added to the regional pool.

7 Branch Funding for 2017

Funding arrangements agreed at Conference in 2001 called for certain information to be reported to the preceding National Delegate Conference to assist branches in connection with their funding arrangements. Hence for 2017 the following data will be used in order to comply with that commitment.

The information is as follows;

Subscription income for 2015	£165.8m
Membership as at 31 December 2015	1,239,750

Branch Funding for 2015 at: 23.5%

Branch average subscriptions per member	Additional entitlement
Less than £121 and not less than £107	0.5%
Less than £107 and not less than £94	1.0%
Less than £94 and not less than £80	1.5%
Less than £80	2.0%

Average branch general fund reserves per member	Additional entitlement
More than £12.80	0.0%
Less than £12.80 and not less than £11.20	0.5%
Less than £11.20 and not less than £9.60	1.0%
Less than £9.60 and not less than £8.00	1.5%
Less than £8.00	2.0%

For branches of more than 500 members	Percentage reduction in additional entitlements
Branch General Fund reserves expressed as an average per member	
At £16 or below	0%
More than £16.00 and less than or equal to £17.60	20%
More than £17.60 and less than or equal to £19.20	40%
More than £19.20 and less than or equal to £20.80	60%
More than £20.80 and less than or equal to £22.40	80%
More than £22.40	100%

For branches of less than 501 members	Percentage reduction in additional entitlements
Total Branch General Fund Reserves	
£8,000 or below	0%
More than £8,000 and less than or equal to £8,800	20%
More than £8,800 and less than or equal to £9,600	40%
More than £9,600 and less than or equal to £10,400	60%
More than £10,400 and less than or equal to £11,200	80%
More than £11,200	100%

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REPORT ON THE 2015 FINANCIAL STATEMENTS

8 Statement of Officers' Responsibility

The Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999 requires the officers of the union to;

- keep proper records which give a true and fair view of the state of affairs of UNISON and explains its transactions;
- establish and maintain a satisfactory system of control over the accounting records, cash holdings, and all the receipts and remittances;
- prepare an annual return for the Certification Officer giving a true and fair view of the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Positions;
- provide members of UNISON with a statement of income and expenditure for the year.

UNISON Rules require the officers of the union to present audited accounts to the Finance and Resources Committee for approval and adoption by the National Delegate Conference.

The maintenance and integrity of the UNISON website is the responsibility of the officers of the union. The work carried out by the auditors does not involve the consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Dave Prentis
General Secretary
28th April 2016

Wendy Nichols
President
28th April 2016

We have audited the Financial Statements of UNISON for the year ended 31 December 2015 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, for the union and the group, plus the Affiliated Political Fund and the General Political Fund on pages 26 to 27. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to UNISON's members as a body. Our work has been undertaken so that we might state to UNISON's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UNISON and UNISON's members as a body, for our audit work, or for the opinion we have formed.

Respective Responsibilities of Officers and Auditors

As explained more fully in the Statement of Officers' Responsibility, the union's officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under section 33 of the Trade Union and Labour Relations Act 1992 and report in accordance with Section 36 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Foreword and the Report on the Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect, or materially inconsistent, with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of UNISON's affairs as at 31 December 2015 and of its transactions for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations Act 1992.

Matters on which we report by exception

We have nothing to report in respect of the following matters where the Trade Unions and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory system of control over its accounting records, cash holdings and receipts and remittances has not been maintained; or
- the financial statements are not in agreement with the accounting records or returns.

Crowe Clark Whitehill LLP

Chartered Accountants and Registered Auditors

St Bride's House

10 Salisbury Square

London

EC4Y 8EH

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	2015 General Funds (Note 2) £'000s	2015 Industrial Action Funds (Note 3) £'000s	2015 Pension Scheme £'000s	2015 Total Union £'000s	2015 Total Group £'000s
Membership Income						
Members' subscriptions		165,787	-	-	165,787	165,787
Local levy		304	-	-	304	304
Donations by Branch members	3	-	107	-	107	107
Allocations to Political Funds		(6,520)	-	-	(6,520)	(6,520)
Allocations to Industrial Action Fund		(1,267)	1,267	-	-	-
Available Operating Income		158,304	1,374	-	159,678	159,678
Non-Membership Income						
National Office income	5	5,790	-	-	5,790	5,790
Regional Office income	6	335	-	-	335	335
Lay Regional income	7	530	-	-	530	530
Branch income	8	2,231	-	-	2,231	2,231
Industrial Action income	3	-	53	-	53	53
Total Non-Membership Income		8,886	53	-	8,939	8,939
Total Income		167,190	1,427	-	168,617	168,617
Expenditure						
National Office expenditure	5	(65,753)	-	-	(65,753)	(65,753)
Regional Office expenditure	6	(46,142)	-	-	(46,142)	(46,142)
Lay Regional expenditure	7	(3,578)	-	-	(3,578)	(3,578)
Branch expenditure	8	(39,656)	-	-	(39,656)	(39,656)
Dispute pay and associated expenses	3	-	(566)	-	(566)	(566)
Depreciation / Amortisation	11	(3,214)	-	-	(3,214)	(3,214)
College of Operating Department Practitioners Ltd	12	-	-	-	-	-
Pension cost	10	(2,055)	-	(2,864)	(4,919)	(4,919)
International Development Fund	17	(382)	-	-	(382)	(382)
Operating Expenditure		(160,780)	(566)	(2,864)	(164,210)	(164,210)
Net Income from Operations		6,410	861	(2,864)	4,407	4,407
Other Income						
Investment income		1,627	58	-	1,685	1,685
Interest paid		(179)	-	-	(179)	(179)
Distributions from Joint Venture	12	197	-	-	197	197
Change in Fair Value of Investments	12	1,770	-	-	1,770	1,770
Net Income for the year		9,825	919	(2,864)	7,880	7,880
Actuarial gain on pension scheme	10	-	-	33,804	33,804	33,804
Effect of asset limit adjusted for FRS 102		-	-	-	-	-
Surplus for the year		9,825	919	30,940	41,684	41,684
Reserves brought forward balance		198,314	26,771	(133,280)	91,805	91,805
Reserves as at 31 December 2015		208,139	27,690	(102,340)	133,489	133,489

The above Consolidated Statement of Comprehensive Income contains all the gains and losses recognised in the current and preceding years.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Notes	2014 RESTATED General Funds (Note 2) £'000s	2014 RESTATED Industrial Action Funds (Note 3) £'000s	2014 RESTATED Pension Scheme £'000s	2014 RESTATED Total Union £'000s	2014 RESTATED Total Group £'000s
Membership Income						
Members' subscriptions		167,427	-	-	167,427	167,467
Local levy		300	-	-	300	300
Donations by Branch members	3	-	196	-	196	196
Allocations to Political Funds		(6,637)	-	-	(6,637)	(6,637)
Allocations to Industrial Action Fund		(1,281)	1,281	-	-	-
Available Operating Income		159,809	1,477	-	161,286	161,326
Non-Membership Income						
National Office income	5	3,961	-	-	3,961	3,961
Regional Office income	6	603	-	-	603	603
Lay Regional income	7	1,343	-	-	1,343	1,343
Branch income	8	2,508	-	-	2,508	2,508
Industrial Action income	3	-	233	-	233	233
Total Non-Membership Income		8,415	233	-	8,648	8,648
Total Income		168,224	1,710	-	169,934	169,974
Expenditure						
National Office expenditure	5	(64,600)	-	-	(64,600)	(64,600)
Regional Office expenditure	6	(47,789)	-	-	(47,789)	(47,789)
Lay Regional expenditure	7	(3,923)	-	-	(3,923)	(3,923)
Branch expenditure	8	(42,504)	-	-	(42,504)	(42,504)
Dispute pay and associated expenses	3	-	(1,843)	-	(1,843)	(1,843)
Depreciation / Amortisation		(4,317)	-	-	(4,317)	(4,317)
College of Operating Department Practitioners Ltd	12	-	-	-	-	(62)
Pension cost	10	(2,051)	-	5,797	3,746	3,746
International Development Fund	17	(159)	-	-	(159)	(159)
Operating Expenditure		(165,343)	(1,843)	5,797	(161,389)	(161,451)
Net Income from Operations		2,881	(133)	5,797	8,545	8,523
Other Income						
Investment income		311	62	-	373	373
Interest paid		-	-	-	-	-
Distributions from Joint Venture		283	-	-	283	283
Change in Fair Value of Investments	12	5	-	-	5	5
Net Income for the year		3,480	(71)	5,797	9,206	9,184
Actuarial loss on pension scheme		-	-	(36,569)	(36,569)	(36,569)
Effect of asset limit adjusted for FRS 102		-	-	1,557	1,557	1,557
Surplus/(Deficit) for the year		3,480	(71)	(29,215)	(25,806)	(25,828)
Reserves brought forward balance		194,834	26,842	(104,065)	117,611	117,633
Reserves as at 31 December 2014		198,314	26,771	(133,280)	91,805	91,805

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

		2015	2015	2015	2015	2015
	Notes	General Funds £'000s	Industrial Action Funds £'000s	Pension Scheme £'000s	Total Union £'000s	Total Group £'000s
Fixed Assets						
Tangible Assets	11	98,258	-	-	98,258	98,258
Intangible Assets	11	5,575	-	-	5,575	5,575
Investments: Unlisted	12	4,040	-	-	4,040	4,040
Investments: Listed	12	152	-	-	152	152
		108,025	-	-	108,025	108,025
Current Assets						
Debtors	14	17,995	-	-	17,995	17,995
Other Loans		80	-	-	80	80
Short Term Bank Deposits		45,706	15,200	-	60,906	60,906
National and Regional – cash at bank and in hand		7,183	25	-	7,208	7,208
Branches – cash at bank and in hand		42,736	12,479	-	55,215	55,215
CODP – bank		-	-	-	-	-
		113,700	27,704	-	141,404	141,404
Current Liabilities						
Creditors payable within one year	15	(11,125)	(14)	-	(11,139)	(11,139)
Branch and regions – other liabilities		(2,461)	-	-	(2,461)	(2,461)
		(13,586)	(14)	-	(13,600)	(13,600)
Net Current Assets		100,114	27,690	-	127,804	127,804
Net Assets excluding Pension Scheme		208,139	27,690	-	235,829	235,829
Pension Fund Deficit	10	-	-	(102,340)	(102,340)	(102,340)
Total Net Assets		208,139	27,690	(102,340)	133,489	133,489
Represented by:						
Reserves		208,139	27,690	-	235,829	235,829
Pension scheme liability	10	-	-	(102,340)	(102,340)	(102,340)
Total Reserves		208,139	27,690	(102,340)	133,489	133,489

'The Financial Statements were approved by the Finance and Resource Management Committee on 28th April 2016 and are signed on its behalf by:

Dave Prentis
General Secretary
28th April 2016

Wendy Nichols
President
28th April 2016

UNISON**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2014

	Notes	2014 RESTATED General Funds £'000s	2014 RESTATED Industrial Action Funds £'000s	2014 RESTATED Pension Scheme £'000s	2014 RESTATED Total Union £'000s	2014 RESTATED Total Group £'000s
Fixed Assets						
Tangible Assets	11	102,653	-	-	102,653	102,653
Intangible Assets	11	5,650	-	-	5,650	5,650
Investments: Unlisted	12	1,770	-	-	1,770	1,770
Investments: Listed	12	214	-	-	214	214
		110,287	-	-	110,287	110,287
Current Assets						
Debtors	15	18,601	-	-	18,601	18,601
Other Loans		705	-	-	705	705
Short Term Bank Deposits		34,100	14,230	-	48,330	48,330
National and Regional – cash at bank		7,409	10	-	7,419	7,419
Branches – cash at bank		41,957	12,802	-	54,759	54,759
CODP – Bank		-	-	-	-	-
		102,772	27,042	-	129,814	129,814
Current Liabilities						
Creditors payable within one year	15	(12,357)	(271)	-	(12,628)	(12,628)
Branch and regions – other net current liabilities		(2,388)	-	-	(2,388)	(2,388)
		(14,745)	(271)	-	(15,016)	(15,016)
Net Current Assets		88,027	26,771	-	114,798	114,798
Net Assets excluding Pension Scheme		198,314	26,771	-	225,085	225,085
Pension Fund Deficit	10	-	-	(133,280)	(133,280)	(133,280)
Total Net Assets		198,314	26,771	(133,280)	91,805	91,805
Represented by:						
Reserves		198,314	26,771	-	225,085	225,085
Pension scheme liability	10	-	-	(133,280)	(133,280)	(133,280)
Total Reserves		198,314	26,771	(133,280)	91,805	91,805

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

		2015	2014
		Total	RESTATED
		Group	Total
	Notes	£'000s	£'000s
Cash flows from operating activities	<i>18a</i>	10,422	25,157
Purchase of tangible fixed assets – National		(1,102)	(126)
Purchase of tangible fixed assets – Branches and regions		(14)	(328)
Proceed from Sale of Property		3,346	-
(Purchase) / Sale of investments		(437)	72
Proceed from Investment		378	-
Interest received		407	373
Interest paid		(179)	-
Net cash from investing activities		2,399	(9)
Net increase in cash and cash equivalents		12,821	25,148
Cash and cash equivalents at the beginning of year		110,508	85,360
Cash and cash equivalents at end of year	<i>18b</i>	123,329	110,508

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

General Accounting Conventions and Policies

1.1 Basis of Financial Statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS102) and the Trade Union and Labour Relations Act 1992.

1.2 Accounting Convention

UNISON prepares its accounts using the historical cost convention with the exception of:

- Investment in shares is stated at market value.
- Pension scheme is based on actuarial assumptions

1.3 Going Concern

We have reviewed UNISON's financial performance and reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt UNISON's ability to continue. The accounts have therefore been prepared on the basis that UNISON is a going concern.

1.4 Preparation of Accounts

- i UNISON has consolidated the results of the different parts of the union on a line by line basis. The Consolidated Financial Statements are comprised of two elements.

Total Union represents

- All the income, expenditure and net assets of National Office, Branches and Regions (General Fund)
- All the income, expenditure and net assets of the Industrial Action Fund.
- All adjustments required in connection with the inclusion of pension scheme income, expenditure, assets and liabilities as required by Section 28 of FRS 102.
- UNISON's share of the net income, expenditure, assets and liabilities of the joint venture, which is currently 50% of Managers in Partnership.

Total Group represents

- Total Union results as described above
- All the income and expenditure and net assets of subsidiary undertakings, where UNISON owns a controlling interest in the shares of a separate entity. CDDP Ltd became dormant in 2014 and is only included for comparatives.
- ii Where audited year end returns have not yet been received from Branches, previous year

end audited accounts have been incorporated into the financial statements.

- iii Expenditure is accounted for on an accruals basis. Any amounts of irrecoverable VAT are added to expenditure incurred.
- iv International Development Fund
This fund is part of the General Fund and all income, expenditure, assets and liabilities of the International Development Fund are included in the national results in the General Fund.

1.5 Subscriptions

Members' subscriptions are brought into the Consolidated Statement of Comprehensive Income on the basis of subscriptions due for the year ending 31 December 2015.

Amounts not received as at 31 December 2015 are included in Current Assets under the heading Debtors.

1.6 Interest on Investments and Loans

Interest on investments and loans comprises gross interest receivable for the year.

1.7 Tangible Assets

UNISON capitalised office refurbishments, computer equipment purchases and other equipment purchases for individual purchases over £1,000 or grouped purchases over £5,000.

Fixed assets are recorded at historical cost.

1.8 Intangible Assets and Investments

UNISON capitalised new software, including any licences that cover the life of the software for individual purchases over £1,000 or grouped purchases over £5,000.

Mabledon Place is treated as an intangible asset and is carried at amortised cost. Listed and unlisted investments are carried at market value.

1.9 Depreciation, Amortisation and Impairment

UNISON provides for depreciation on all fixed assets and amortisation on intangible assets.

Freehold buildings are depreciated on a straight line basis at two per cent per annum of cost. The exception to this relates to chalets at Croyde Bay Holiday Resort which are depreciated on a straight line basis over a period of 20 years. Assets are depreciated from the year of purchase with the exception of Croyde Bay Holiday Resort which starts the following year.

There is no depreciation while assets are in the course of construction.
Leasehold property is depreciated over the life of each lease.
Furniture and equipment is depreciated on a straight line basis at ten per cent per annum. Equipment acquired on hire purchase terms are depreciated over

their estimated useful lives.

Computer equipment is depreciated on a straight line basis at twenty five per cent per annum.

Intangible assets – Mabledon Place is an intangible asset and is amortised over its lease life of 150 years. All fixed assets are regularly reviewed to assess if there has been an impairment of value.

1.10 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to revenue as incurred.

1.11 Taxation

For corporation tax purposes the activities of the General Fund, Industrial Action Fund, General Political Fund and Affiliated Political Fund are amalgamated.

1.12 Accounting Estimates

Judgements and estimates are incorporated where required in applying the Union's accounting policies and which may have a significant effect on the amounts included in the financial statements. The main areas were:

- Intangible assets – the basis of calculation and assumption used to perform revaluation and useful economic life of assets used in calculating amortisation.
- Investments – the basis of calculation and assumption used for market value
- The Union reviewed non-current assets each year for impairment, in line with accounting standards
- Contingent liabilities – the inclusion of provisions for potential liabilities where there is an element of uncertainty in the outcomes of the cases
- Pension Scheme – the actuarial assumptions used in calculating scheme assets and liabilities

1.13 Pension Schemes

UNISON operates a defined benefit pension scheme. The disclosures required to be made under Section 28 of FRS 102 are made in note 10. The current service costs, running costs, interest costs and the expected return on pension scheme assets are included in operating expenditure. Actuarial gains or losses are shown separately below net income/ expenditure for the year. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method. Full actuarial valuations are obtained every three years and are updated at each Consolidated Statement for Financial Position date. The resulting defined benefit scheme liability is shown separately on the face of the Consolidated Statement for Financial Position.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

2 General Fund Statement of Comprehensive Income Analysis

		2015	2015	2015	2015	2014	2014	2014	2014
	Notes	National £'000s	Branches £'000s	Regions £'000s	Total £'000s	RESTATED National £'000s	RESTATED Branches £'000s	RESTATED Regions £'000s	RESTATED Total £'000s
Income									
Members' subscriptions		165,787	-	-	165,787	167,427	-	-	167,427
Branch funding		(38,960)	38,131	829	-	(39,342)	38,505	837	-
Local levy		-	304	-	304	-	300	-	300
Allocations to regions		(1,989)	-	1,989	-	(2,009)	-	2,009	-
Allocations to Political Funds		(6,520)	-	-	(6,520)	(6,637)	-	-	(6,637)
Allocation to Other Funds		(1,267)	-	-	(1,267)	(1,281)	-	-	(1,281)
Available Operating Income		117,051	38,435	2,818	158,304	118,158	38,805	2,846	159,809
Non-Membership Income									
National Office income	5	5,790	-	-	5,790	3,961	-	-	3,961
Regional Office income	6	335	-	-	335	603	-	-	603
Lay Regional income	7	-	-	530	530	-	-	1,343	1,343
Branch income	8	-	2,231	-	2,231	-	2,508	-	2,508
Total Non-Membership Income		6,125	2,231	530	8,886	4,564	2,508	1,343	8,415
Total Income		123,176	40,666	3,348	167,190	122,722	41,313	4,189	168,224
Expenditure									
National Office expenditure	5	(65,753)	-	-	(65,753)	(64,600)	-	-	(64,600)
Regional Office expenditure	6	(46,142)	-	-	(46,142)	(47,789)	-	-	(47,789)
Lay Regional expenditure	7	-	-	(3,578)	(3,578)	-	-	(3,923)	(3,923)
Branch expenditure	8	-	(39,656)	-	(39,656)	-	(42,504)	-	(42,504)
Depreciation / Amortisation	11	(3,214)	-	-	(3,214)	(4,317)	-	-	(4,317)
Pension cost	10	(2,055)	-	-	(2,055)	(2,051)	-	-	(2,051)
International Development Fund	17	(382)	-	-	(382)	(159)	-	-	(159)
Operating Expenditure		(117,546)	(39,656)	(3,578)	(160,780)	(118,916)	(42,504)	(3,923)	(165,343)
Net Income/(Expenditure) from Operations		5,630	1,010	(230)	6,410	3,806	(1,191)	266	2,881
Other Income									
Change in Fair Value of Investments	12	1,770	-	-	1,770	5	-	-	5
Investment and other income		1,466	159	2	1,627	131	178	2	311
Interest paid		(179)	-	-	(179)	-	-	-	-
Distributions from Joint Venture	12	197	-	-	197	283	-	-	283
Surplus / (Deficit) for the year		8,884	1,169	(228)	9,825	4,225	(1,013)	268	3,480
Reserves brought forward as reported		150,789	42,745	4,780	198,314	146,564	43,758	4,512	194,834
Reserves as at 31 December 2015		159,673	43,914	4,552	208,139	150,789	42,745	4,780	198,314

Included under regions is the allocation of £828,997 (2014: £837,000) for the regional pool and £1,143,925 (2014: £1,022,000) expenditure from the pool.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

3 Industrial Action Fund Statement of Comprehensive Income Analysis

	2015			2014 RESTATED		
	National £'000s	Branches £'000s	Total £'000s	National £'000s	Branches £'000s	Total £'000s
Income						
Donations	8	99	107	-	196	196
Other Income	-	53	53	-	233	233
Allocation from General Fund	1,267	-	1,267	1,281	-	1,281
Operating Income	1,275	152	1,427	1,281	429	1,710
Expenditure						
Administration	-	-	-	(48)	-	(48)
Dispute pay and associated expenses	(75)	(491)	(566)	(1,302)	(493)	(1,795)
Operating Expenditure	(75)	(491)	(566)	(1,350)	(493)	(1,843)
Net Income from Operations	1,200	(339)	861	(69)	(64)	(133)
Investment Income	44	14	58	49	13	62
Surplus for the year	1,244	(325)	919	(20)	(51)	(71)
Reserves as at 1 January 2015	13,969	12,802	26,771	13,989	12,853	26,842
Reserves as at 31 December 2015	15,213	12,477	27,690	13,969	12,802	26,771

4 Analysis of General Fund Statement of Financial Position

	2015				2014 RESTATED			
	National £'000s	Branches £'000s	Regions £'000s	Total £'000s	National £'000s	Branches £'000s	Regions £'000s	Total £'000s
Tangible Fixed Assets	95,585	2,672	1	98,258	99,993	2,659	1	102,653
Investments	4,048	144	-	4,192	1,778	207	-	1,985
Intangible Asset	5,575	-	-	5,575	5,650	-	-	5,650
Debtors falling due after 1 year	-	-	-	-	-	-	-	-
Creditors payable later than 1 year	-	-	-	-	-	-	-	-
Other net assets	54,465	41,098	4,551	100,114	43,368	39,879	4,779	88,026
	159,673	43,914	4,552	208,139	150,789	42,745	4,780	198,314

	2015	2015	2015	2014	2014	2014
				RESTATED	RESTATED	RESTATED
		Non	Net		Non	Net
5 Total National Expenditure/ Non-Membership Income	Expenditure £'000s	Membership Income £'000s	Expenditure £'000s	Expenditure £'000s	Membership Income £'000s	Expenditure £'000s
Learning and Organising Services	2,819	(1,169)	1,650	2,499	(750)	1,749
Recruitment and Organising	958	-	958	1,103	(18)	1,085
Fighting Fund	4,745	(1,505)	3,240	3,667	(190)	3,477
Organising & Recruitment	8,522	(2,674)	5,848	7,269	(958)	6,311
Local Government	1,250	-	1,250	1,303	-	1,303
Healthcare	1,373	-	1,373	1,382	-	1,382
Education & Childcare Services	1,063	-	1,063	1,094	-	1,094
Business & Community	1,099	-	1,099	1,004	-	1,004
Police and Justice	89	-	89	108	-	108
Members Pension Service	203	-	203	210	-	210
Members Participation Unit	1,250	-	1,250	1,286	(13)	1,273
Negotiating and Promoting equality-members	1,904	-	1,904	1,940	-	1,940
Bargaining, Negotiation & Equalities	8,231	-	8,231	8,327	(13)	8,314
Communications	4,268	(303)	3,965	4,485	(268)	4,217
Policy and Public Affairs	856	-	856	947	-	947
Trade Union Affiliations	4,556	-	4,556	4,609	-	4,609
Press office	332	-	332	396	-	396
International	337	-	337	235	(31)	204
Communications, Campaigns & Policy	10,349	(303)	10,046	10,672	(299)	10,373
Finance	1,704	(135)	1,569	2,366	(133)	2,233
Rule Book Benefits	415	-	415	404	-	404
Legal Services	3,564	(22)	3,542	4,678	-	4,678
Membership Service (RMS)	2,442	-	2,442	2,443	-	2,443
Organisation and Staff Development	1,588	-	1,588	1,615	-	1,615
Systems Management						
Information Technology	8,318	-	8,318	7,895	-	7,895
Property maintenance	3,896	(445)	3,451	3,590	(552)	3,038
Administration and postage	1,784	-	1,784	2,970	-	2,970
Insurance	1,219	-	1,219	1,148	-	1,148
Developing an Efficient and Effective Union	185	-	185	191	-	191
Organisation and Resource Development	25,115	(602)	24,513	27,300	(685)	26,615
NEC Committees	519	-	519	505	-	505
Executive Office	935	-	935	816	-	816
General Secretary's Office	1,006	-	1,006	1,007	-	1,007
Conference Organisation	2,849	-	2,849	2,332	-	2,332
Membership Liaison	4,864	(47)	4,817	3,017	(55)	2,962
Executive Office (inc Gen Sec)	10,173	(47)	10,126	7,677	(55)	7,622
Professional Services Unit	732	-	732	945	-	945
Croyde Bay Holiday Resort	1,814	(1,800)	14	1,650	(1,565)	85
UNISON Plus	76	(364)	(288)	36	(386)	(350)
Welfare	799	-	799	723	-	723
Dragon Court print services	(58)	-	(58)	1	-	1
Governance	3,363	(2,164)	1,199	3,355	(1,951)	1,404
Total National Expenditure/ Non-Membership Income	65,753	(5,790)	59,963	64,600	(3,961)	60,639

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

	2015	2015	2015	2014	2014	2014
	Expenditure	Non	Net	RESTATED	RESTATED	RESTATED
	£'000s	Membership	Expenditure	Expenditure	Non	Net
		Income	£'000s	£'000s	Membership	Expenditure
		£'000s			Income	£'000s
					£'000s	
6 Regional Office Expenditure/ Non-Membership Income						
Eastern	3,330	-	3,330	3,513	-	3,513
East Midlands	3,616	-	3,616	3,821	-	3,821
Greater London	5,380	-	5,380	5,521	-	5,521
Northern	3,150	-	3,150	3,256	-	3,256
Northern Ireland	1,561	-	1,561	1,708	-	1,708
North West	5,002	-	5,002	5,312	-	5,312
Scotland	4,800	(74)	4,726	4,851	(130)	4,721
South East	4,100	-	4,100	4,100	-	4,100
South West	3,736	-	3,736	3,686	-	3,686
Wales	3,719	(261)	3,458	3,919	(473)	3,446
West Midlands	3,993	-	3,993	4,030	-	4,030
Yorkshire & Humberside	3,755	-	3,755	4,072	-	4,072
	46,142	(335)	45,807	47,789	(603)	47,186
7 Lay Regional Expenditure/ Non-Membership Income						
Other Income	-	(530)	(530)	-	(1,343)	(1,343)
Local Expenditure	2,699	-	2,699	2,900	-	2,900
Regional Pool Expenditure	879	-	879	1,023	-	1,023
	3,578	(530)	3,048	3,923	(1,343)	2,580
8 Branch Expenditure/ Non-Membership Income						
Other Income	-	(2,231)	(2,231)	-	(2,508)	(2,508)
Administration expenses	21,857	-	21,857	22,607	-	22,607
Honoraria	1,452	-	1,452	1,745	-	1,745
Conferences	3,848	-	3,848	4,214	-	4,214
Other meetings	4,261	-	4,261	4,731	-	4,731
Publicity	3,466	-	3,466	3,442	-	3,442
Education	1,254	-	1,254	1,413	-	1,413
Local activities	1,182	-	1,182	1,433	-	1,433
Transfers to Industrial Action Fund	329	-	329	571	-	571
Donations	622	-	622	615	-	615
Affiliations	145	-	145	154	-	154
Miscellaneous	1,240	-	1,240	1,579	-	1,579
	39,656	(2,231)	37,425	42,504	(2,508)	39,996

Inter-company note

The income and expenditure of the group includes £0.7 million (2014 £1.2 million) of transactions between the regions, branches and Industrial Action Fund which, for the purpose of the presentation, has not been eliminated on consolidation. The accounts have been prepared in this manner as in view of the NEC it presents the most appropriate view of the activities of the union.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

9a Employees

	2015 £'000s	2014 £'000s
Salaries	45,269	44,045
Social security costs	3,487	3,422
Pension costs	12,893	12,570
Temporary/Agency	1,273	1,236
Temporary staff at CBHR	517	499
Branch officials	12,037	12,750
Total staff costs	75,476	74,522

Average number of UNISON employees including part-time employees for the year was: 1,226 (2014: 1,206). This excludes branch officials.

9b Salary and on costs of President, General Secretary and Members of the National Executive Council.

Salary and on costs of General Secretary.

	2015 £	2014 £
Basic salary	93,548	92,165
Salary sacrifice	8,805	8,675
London weighting	5,122	5,046
Gross salary	107,475	105,886
Taxable subsistence	2,591	2,553
Car benefit	4,529	4,909
Total salary and benefits	114,595	113,348
Employer's national insurance costs	12,908	12,762
Total cost for the year ended 31.12.2015	127,503	126,110

UNISON operates a defined benefit pension scheme open to all staff, the General Secretary is a member of this scheme. Members of the scheme receive defined benefits under the Trust Deed and Rules.

UNISON has a salary sacrifice arrangement for all staff pensions.

Key management personnel comprise members of the Senior Leadership Team in the Union. Total cost for the year ended 31.12.2015 is £2,208,987 (2014: £2,020,078)

No salary or other benefits are paid to the President or other Members of the National Executive Council.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 Employers' Pension Costs

Defined Benefit Pension Schemes

The Union operates two defined benefit pension schemes in the UK, the UNISON Staff Pension Scheme and the COHSE 1974 Pension and Assurance Scheme. The Union is one of several employers that sponsor the UNISON Staff Pension Scheme.

The schemes are administered by trustees and are independent of the Union's finances. Contributions are paid to the schemes in accordance with the Schedules of Contributions agreed between the trustees and the employers. Of the two schemes, only the UNISON Staff Pension Scheme remains open to new entrants

The assets and liabilities of the UNISON Staff Pension Scheme are not segregated between the employers that participate in the scheme. Consequently, the share of the scheme's liabilities in respect of the Union's employees and former employees, and the assets backing those liabilities, has been estimated.

The actuarial valuations have been updated to 31 December 2015, by independent qualified actuaries in accordance with FRS 102. As required by FRS 102, the value of the defined benefit liabilities has been measured using the projected unit method. The funding target is for the scheme to hold assets equal in value to the accrued benefits based on projected salaries. If there is a shortfall against this target, then the Union and trustees will agree on deficit contributions to meet this deficit over a period.

The key FRS 102 assumptions used for the schemes are set out below, along with the fair value of the assets, a breakdown of the assets into the main asset classes, the present value of the FRS 102 liabilities and the deficit of assets below the FRS 102 liabilities (the net pension liability).

The major assumptions used by the actuaries were:

	31 December 2015	31 December 2014	31 December 2013
Retail price inflation assumption	3.1% pa	3.1% pa	3.4% pa
Consumer price inflation assumption	2.1% pa	2.1% pa	2.4% pa
Rate of increase of pensions in payment	3.1% pa	3.1% pa	3.4% pa
General increase in salaries over next year	1.5% pa	1.5% pa	1.0% pa
Over second year	2.1% pa	2.1% pa	3.4% pa
Over third year	2.1% pa	2.1% pa	3.4% pa
Thereafter	2.1% pa	2.1% pa	3.4% pa
Discount rate	3.8% pa	3.6% pa	4.5% pa

On the basis of the assumptions used for life expectancy, a male pensioner currently aged 60 would be expected to live for a further 26.6 years (2014: 26.9 years). A male pensioner aged 60 in 20 years' time would be expected to live for a further 28.8 years (2014: 28.8 years).

The current allocation of the schemes' assets are as follow:

	2015 Value £'000s	2014 Value £'000s	2013 Value £'000s
Equities	213,967	194,641	193,711
Bonds	172,290	177,741	150,584
Property	43,358	36,571	34,073
Cash	606	1,247	1,446
Multi-Asset	88,123	85,829	81,888
	518,344	496,029	461,702

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 Employers' Pension Costs (continued)

	31 December 2015	31 December 2014 RESTATED	31 December 2013	31 December 2012	31 December 2011
	£'000s	£'000s	£'000s	£'000s	£'000s
Fair value of schemes' assets	518,344	496,029	461,702	397,115	357,126
Present value of defined benefit obligations	(620,684)	(629,309)	(565,767)	(517,471)	(463,715)
Net liability	<u>(102,340)</u>	<u>(133,280)</u>	<u>(104,065)</u>	<u>(120,356)</u>	<u>(106,589)</u>

Changes in the present value of the defined benefit obligation are as follows:

	31 December 2015	31 December 2014 RESTATED
	£'000s	£'000s
Opening defined benefit obligation	629,309	565,767
Employer's part of current service cost	15,312	13,604
Past service cost	-	-
Interest on obligation	22,334	25,103
Contributions from plan members	215	206
Actuarial (gain)/ loss	(28,185)	40,952
Benefits paid	(18,301)	(16,323)
Closing defined benefit obligation	620,684	629,309

Changes in the fair value of the plan assets are as follows:

	31 December 2015	31 December 2014 RESTATED
	£'000s	£'000s
Opening fair value of the assets	496,029	461,702
Interest on scheme assets	17,854	20,814
Actual return less interest on Scheme assets	5,619	12,904
Running costs	(1,629)	(1,450)
Contributions by the employer	18,557	18,176
Contributions by scheme members	215	206
Benefits paid	(18,301)	(16,323)
Closing fair value of plans assets	518,344	496,029

The actual return on the schemes assets over the year was a gain of £23,473,000 (2014 gain of £33,718,000).

The amount recognised outside profit and loss for 2015 is a gain of £33,804,000 (2014 loss of £28,048,000).

It is important to note that all of the pensions accounting entries are volatile from year to year. This is particularly true of the Consolidated Statement of Financial Position figure, as the fair value of the assets are largely linked to the equity market, whereas the amount of the defined benefit obligation is linked to yields on AA-rated corporate bonds.

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	31 December 2015	31 December 2014 RESTATED
	£'000s	£'000s
Current service cost	15,312	13,604
Running cost	1,629	1,450
Interest expense	4,480	4,289
Total expenses included in the Consolidated Statement of Comprehensive Income	21,421	19,343

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

10 Employers' Pension Costs (continued)

The following amounts have been included within operating profit under FRS102:

	Year to 31 December 2015 £'000s	Year to 31 December 2014 £'000s
COHSE pension scheme additional contributions	2,055	2,051
Current service cost	15,312	13,604
Running cost	1,629	1,450
Interest expense	4,480	4,289
Contributions by the employer	(18,557)	(18,176)
Pension cost	4,919	3,218

The following amounts have been recognised outside the profit and loss

	Year to 31 December 2015 £'000s	Year to 31 December 2014 £'000s
COHSE	(571)	1,303
UNISON	34,375	(29,351)
Actuarial gain/(loss) recognised outside profit or loss	33,804	(28,048)

The deficit under FRS 102 would have moved as follows during the year

	UNISON £'000s	COHSE £'000s
Define benefit obligation	571,633	49,051
Fair Value of assets	(464,657)	(53,687)
Pension deficit/(asset)	106,976	(4,636)

The deficit under FRS 102 would have moved as follows during the year

	Year to '31 December 2015 £'000s
(Deficit) in schemes at 31st December 2014	(133,280)
Service cost (employees and employer)	(21,421)
Contributions (employees and employer)	18,557
Actuarial gain	33,804
Deficit in schemes as at 31 December 2015	(102,340)

Over the year to 31 December 2015, contributions by the national office of £16,734,500 (2014:£16,370,000) were made to the schemes.

Other significant contributions (excluding employee contributions) were £1,529,500 for Branch Officials (2014: £1,524,000) and £293,000 for Pension Protection levy (2014: £282,000).

It was agreed with the Trustees that contributions to the UNISON Schemes increase to 25% of members' salaries from 1st April 2006

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

11 Tangible Fixed Assets

General Fund	Freehold Properties £'000s	Leasehold Properties £'000s	Equipment £'000s	Total £'000s
Cost:				
At 1 January 2015	111,437	2,602	11,351	125,390
Disposal and Fully depreciated assets	(3,846)		(552)	(4,398)
Additions	721	-	381	1,102
At 31 December 2015	108,312	2,602	11,180	122,094
Depreciation				
At 1 January 2015	14,158	1,941	9,298	25,397
Disposal and Fully depreciated assets	(1,475)		(552)	(2,027)
Charge for the year	1,946	155	1,038	3,139
At 31 December 2015	14,629	2,096	9,784	26,509
National net book value at 31 December 2015	93,683	506	1,396	95,585
National net book value at 31 December 2014	97,279	661	2,053	99,993
Total Union				
General Fund	93,683	506	1,396	95,585
Regions	-	-	1	1
Branches	1,744	6	922	2,672
Total Union & Group net book value at 31 December 2015	95,427	512	2,319	98,258
Total Union & Group book value at 31 December 2014	99,068	673	2,912	102,653

Intangible Fixed Assets

UNISON owns the freehold interest in 1 Mabledon Place. The last professional valuation was performed in February 2012 by Deloitte Drivers Jonas, who valued the freehold interest at £5.65 million. Under FRS102 (section 18) UNISON has adopted the approach to freeze the valuation as at 1 January 2014 and treat as deemed cost. Amortisation is charged on a straight line basis over the length of the lease of 150 years.

General Fund	Leasehold Properties £'000s	Total £'000s
Cost:		
Deemed cost as at 1 January 2015	5,650	5,650
Additions	-	-
Disposals	-	-
At 31 December 2015	5,650	5,650
Amortisation		
At 1 January 2015	(38)	(38)
Charge for the year	(37)	(37)
At 31 December 2015	(75)	(75)
National net book value at 31 December 2015	5,575	5,575

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

12 Investments

GROUP

	Year to 31 December 2015			Year to 31 December 2014		
	Listed investments	Unlisted investments	Total	RESTATED Listed investments	RESTATED Unlisted investments	Total
Cost:	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
At 1 January 2015	214	1,770	1,984	281	1,770	2051
Additions at cost	-	500	500	-	-	-
Disposals	(62)	-	(62)	(72)	-	(72)
Revaluation to market value	-	1,770	1,770	5	-	5
At 31 December 2015	152	4,040	4,192	214	1,770	1,984

	Year to 31 December 2015		Year to 31 December 2014	
	Union and Group		RESTATED Union and Group	
	Market Value	Book Value	Market Value	Book Value
	£'000s	£'000s	£'000s	£'000s
Unlisted investments				
Unity Trust Bank	4,040	2,270	1,770	1,770
Listed investments				
Others – National	7	7	7	2
Others – Branches	145	145	207	207
	4,192	2,422	1,984	1,979

Managers in Partnership – Joint Venture

On 1 June 2005, UNISON entered into a joint venture (JV) with the FDA, the JV is known as Managers in Partnership. The partnership provides support for senior manager members in the health service. Results of the JV are included in the results of the union on page 7.

Control of the partnership is 50:50.

The management accounts of the partnership are as follows:

Statement of Comprehensive Income

	Total Partnership	UNISON Share
	2015	2015
	£'000s	£'000s
Income	1,804	902
Expenditure	(1,409)	(705)
Distributions to partners	(395)	(197)
Closing reserves	-	-

Statement of Financial Position as at 31 December 2015

	Total Partnership	UNISON Share
	2015	2015
	£'000s	£'000s
Net current assets	-	-
Net current liabilities	-	-
Closing reserves	-	-

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

12 Investments (continued)

Subsidiary undertakings

	Country of incorporation	Percentage of ownership
College of Operating Department Practitioners Limited	England	100% – Company is limited by Guarantee from UNISON since incorporation

College of Operating Department Practitioners for the year ending 31 December 2015

Statement of Financial Position	2015 £'000s	2014 £'000s
Fixed Assets	-	-
Net current assets	-	-
Creditors due in more than one year	-	-
Net (Liabilities)	-	-
Represented by;		
Reserves as at 1 January 2015	-	(79)
Gain in the period	-	79
Reserves as at 31 December 2015	-	-
Statement of Comprehensive Income	£'000s	£'000s
Subscription income	-	41
Non membership income	-	-
Creditor forgiven	-	100
Expenditure	-	(62)
Gain in the period	-	79

13 Financial Instruments

Financial Assets and Liabilities	2015 £'000s	2014 £'000s
Financial assets measured at fair value through profit or loss	4,192	1,984
Financial assets measured at amortised cost	138,834	127,443
Financial liabilities measured at amortised cost	(12,343)	(12,967)

The fair value of investments is taken from their quoted market values at the year end.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

14 Debtors

	2015 Union £'000s	2015 Group £'000s	2014 Union £'000s	2014 Group £'000s
Members' subscriptions	9,725	9,725	10,172	10,172
Thompson LLP	3,119	3,119	3,119	3,119
Other debtors	2,581	2,581	2,938	2,938
Prepayments and accrued income	2,570	2,570	2,372	2,372
	17,995	17,995	18,601	18,601

15 Creditors: payable within one year.

Trade creditors and accruals	(9,883)	(9,883)	(11,360)	(11,360)
PAYE, NI and other taxes	(1,256)	(1,256)	(1,268)	(1,268)
	(11,139)	(11,139)	(12,628)	(12,628)

16 Operating Lease Commitments

UNISON is committed to the following annual commitments under non-cancellable operating leases as follows:

	Union and Group 2015		Union and Group 2014	
	Land and Buildings £'000s	Other £'000s	Land and Buildings £'000s	Other £'000s
National				
Less than one year	307	4	16	21
Between two and five years	3,410	204	4,125	204
More than five years	4,354	-	4,828	-
Branches				
Less than one year	309	19	321	10
Between two and five years	2,001	2	1,552	52
Over five years	136	-	763	-

17 International Development Fund

The above fund was established in 2004 to support the union's international commitments through a range of projects with trade unions in the developing world.

The International Fund is disclosed as part of the transactions and balances of the General Fund.

	2015 £'000s	2014 £'000s
Income		
General Fund Donations	98	58
Interest	1	4
Expenditure		
Project donations	(382)	(159)
Deficit	(283)	(97)
Reserves as at 1 January 2015	918	1,015
Reserves as at 31 December 2015	635	918

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

18	Notes to the Consolidated Statement of Cash Flows	2015	2014 RESTATED	
a)	Reconciliation of Deficit to Net Cash Inflow from Operating Activities	£'000s	£'000s	
	Surplus / (Deficit) for the year	41,686	(25,828)	
	Actuarial (gains) / losses on pension scheme	(33,804)	35,012	
	Proceed from Sale of Property	(977)	-	
	Interest received	(407)	(373)	
	Proceed from Investment	(378)	-	
	Interest paid	179	(5,797)	
	Pension costs FRS102 provision	2,864	4,317	
	Depreciation/Amortisation	3,214	(5)	
	Change in Fair Value of Investments	(1,770)	14,970	
	Decrease in debtors	1,232	2,861	
	(Decrease)/Increase in creditors	(1,417)		
	Net cash inflow from operating activities	10,422	25,157	
b)	Analysis of Net Funds	2015	Cash Flow	2014
		£'000s	£'000s	£'000s
	Short Term Bank Deposits	60,906	(12,576)	48,330
	National and Regional – cash at bank	7,208	211	7,419
	Branches – cash at bank	55,215	(456)	54,759
	CODP – Bank	-	-	-
	Net funds	123,329	(12,821)	110,508

19 Capital Commitments

There are no significant capital commitments.

20 Related Party Disclosure

The General Secretary is a Director of Unity Trust Bank. UNISON owns 11.9% of Unity Trust Bank ordinary shares and also banks with Unity Trust.

At year end UNISON held cash balances with Unity at Branch, Region and National totaling £119.6 million.

The Vice Chair of the Finance and Resource Management Committee is a non Executive Director of UIA Insurance Ltd.

UIA supply and deliver the UNISON Direct service to members, UNISON reimbursed UIA costs of £2.2 million in 2015.

UNISON Welfare Board of Trustees are elected substantially from UNISON NEC and the regional and branch network. UNISON donated £0.8m to UNISON welfare in 2015.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

21 Financial and Operational Risk Management

UNISON is dependent on members' subscription income to fund all operations at National, Regional and Branch level. Whilst income has declined marginally over the last few years, the union's membership (and thus income stream) has remained strong and consistent through robust recruitment and retention activities. UNISON is therefore well positioned in terms of cash and reserves to manage its operations going forward. However the union is fully aware of the impact that recent and ongoing austerity measures and potential changes in legislation could have on its membership and income. A significant loss of members and income would require a wider review of its operations and services in the medium and longer term.

UNISON works proactively to ensure measures are in place to manage its financial and operational risk. This includes forward financial planning and a proven strategy to ensure that the union operates balanced budgets so as to at least maintain its reserves whilst providing for capital maintenance to ensure the union operates effectively at all levels. Budgets and forecasts take into account the levels of expected income and expenditure and a going concern review is undertaken each year along with cash flow projections. These financial reviews are reported in detail to the Finance and Resource Committee for approval and agreement and subsequent endorsement by the National Executive Council as well as being made available to the external auditors.

The union actively undertakes regular and special reviews to improve operational efficiencies and controls and seeks opportunities to maximise the use of all of its resources across the organisation. UNISON invests heavily in training and ongoing development of all staff to be able to meet the organisations and members needs and is proud of the levels of knowledge, expertise and dedication of all our staff which keeps the union attractive to members.

UNISON conducts its affairs with absolute minimum or nil external borrowings or debt but has the capacity, if required, to undertake significant loans underpinned by a valuable asset base. The single largest obligation is to the staff pension scheme which currently has a funding deficit. The pension deficit has been and continues to be managed through a clear strategy or recovery plan over a 20 year period, put in place by the employer and the trustees working collaboratively with professional actuarial guidance. This recovery plan has been recently reviewed to ensure it remains fit for purpose and has been updated to take into account current economic conditions and actuarial factors.

22 Transition to FRS 102

Investments

Investments are now valued at market value at the year end with any gains or losses accounted for through the Consolidated Statement of Comprehensive Income, whether on disposal or due to market value fluctuation. Previously these were carried at cost.

Holiday Pay accrual

FRS 102 requires short term employee benefits to be charged to the Consolidated Statement of Comprehensive Income as the employee service is received. This has resulted in the union recognising a liability for holiday pay of £769,495 as part of the transition to FRS102. Previously holiday pay accruals were not recognised and were charged to the Consolidated Statement of Comprehensive Income as they were paid. In re-stating the comparative prior year, a liability of £782,133 is recognised in the Consolidated Statement of Financial Position for the year ended 31 December 2014.

Pension Scheme

Under FRS 102 the prior year comparative figures are different to the figures prepared under the FRS17 accounting standard. There is a surplus in the COHSE 1974 Pension and Assurance Scheme which last year was restricted under FRS 17 actuarial valuation. For 2015 under the new reporting standard FRS 102 that restriction is not required on the surplus. Therefore the 2014 figures have been re-stated to remove the restriction on the surplus so that comparative figures are reported on a like to like basis in line with the current reporting standard FRS 102.

Restated Total Funds

	31 December 2014
	£'000s
Original Total Reserves	91,025
Investments at market value	5
Accrued Holiday Pay	(782)
Pension scheme	1,557
Restated Total Funds under FRS 102	91,805

Restated Consolidated Statement of Comprehensive Income

	31 December 2014
Original deficit for the year	(26,586)
Change in fair value of investments	5
Holiday Pay Accrual	(782)
Pension scheme	1,557
Restated deficit for the year under FRS 102	(25,806)

UNISON

GENERAL POLITICAL FUND

FINANCIAL STATEMENTS

For the year ended 31 December 2015

Consolidated Statement of Comprehensive Income

	Notes	2015 £'000s	2015 £'000s	2014 £'000s	2014 £'000s
Income					
Contributions receivable			3,197		3,255
Interest on investments			17		14
Total Income			3,214		3,269
Expenditure					
Major campaigns		(741)		(1,248)	
10 Year Ballot		-		(102)	
Contributions and donations		(285)		(574)	
Contribution to General Fund expenses		(65)		(65)	
			(1,091)		(1,989)
Surplus for the year			2,123		1,280

Consolidated Statement of Financial Position

		2015 £'000s	2014 £'000s
Current Assets			
Debtors	2	289	148
Short Term Bank Deposits		6,700	4,693
Cash at bank		305	399
		7,294	5,240
Current Liabilities			
Creditors	3	(64)	(133)
Net assets		7,230	5,107
Represented by:			
Reserves at 1 January 2015		5,107	3,827
Surplus for the year		2,123	1,280
Balance 31 December 2015		7,230	5,107

Notes to the financial statements

1) Accounting Policies

- (a) The Financial Statements have been prepared on a historical cost basis and in accordance with applicable accounting standards.
(b) The operation of the Fund is governed by the union's Constitution and Rules.
(c) Interest on investments and loans comprises gross interest receivable for the period.

	2015 £'000s	2014 £'000s
2) Debtors		
Sundry Debtors	99	-
General Fund	190	148
	289	148
3) Creditors		
Sundry creditors	(64)	(133)
General Fund	-	-
	(64)	(133)

4) Contribution to General Fund Expenses.

The General Political Fund contributes two per cent of the members' contributions receivable for the year towards General Fund expenses.
The Financial Statements were approved by the Finance and Resource Management Committee on 28th April 2016 and signed on its behalf by:

Dave Prentis
General Secretary
28th April 2016

Wendy Nichols
President
28th April 2016

UNISON

AFFILIATED POLITICAL FUND

FINANCIAL STATEMENTS

For the year ended 31 December 2015

Consolidated Statement of Comprehensive Income

	Notes	2015 £'000s	2015 £'000s	2014 £'000s	2014 £'000s
Income					
Contributions receivable			3,324		3,382
Bank interest			6		12
Total Income			3,330		3,394
Expenditure					
National Expenditure		(3,197)		(2,916)	
National Administration		(237)		(224)	
10 Year Ballot		-		(102)	
Contribution to General Fund expenses		(68)		(68)	
Regional Expenditure		(274)		(273)	
Total Expenditure			(3,776)		(3,583)
Deficit for the year			(446)		(189)

Consolidated Statement of Financial Position

		2015 £'000s	2014 £'000s
Current Assets			
Debtors	2	324	414
Short Term Bank Deposits		2,100	3,591
Cash at bank		750	570
		3,174	4,575
Current Liabilities			
Creditors	3	(440)	(1,395)
Net assets		2,734	3,180
Represented by:			
Reserves at 1 January 2015		3,180	3,369
Deficit for the year		(446)	(189)
Balance 31 December 2015		2,734	3,180

Notes to the financial statements

1) Accounting Policies

- (a) The Financial Statements have been prepared on a historical cost basis and in accordance with applicable accounting standards.
(b) The operation of the Fund is governed by the union's Constitution and Rules.
(c) Interest on investments and loans comprises gross interest receivable for the period.

	2015 £'000s	2014 £'000s
2) Debtors		
Sundry Debtors (GPF)	12	102
Prepayment (The Labour Party)	312	312
General Fund	-	-
	324	414
3) Creditors		
Sundry creditors	(2)	(230)
General Fund	(438)	(1,165)
	(440)	(1,395)

4) Contribution to General Fund Expenses.

The Affiliated Political Fund contributes two per cent of the members' contributions receivable for the year towards General Fund expenses.
The Financial Statements were approved by the Finance and Resource Management Committee on 28th April 2016 and signed on its behalf by:

Dave Prentis
General Secretary
28th April 2016

Wendy Nichols
President
28th April 2016

UNISON
TEN YEAR SUMMARY 2006 TO 2015
(as disclosed in the Annual Financial Statements)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Total Group 12 months 2006 £'000s	Total Group 12 months 2007 £'000s	Total Group 12 months 2008 £'000s	Total Group 12 months 2009 £'000s	Total Group 12 months 2010 £'000s	Total Group 12 months 2011 £'000s	Total Group 12 months 2012 £'000s	Total Group 12 months 2013 £'000s	Total Group 12 months 2014 £'000s	Total Group 12 months 2015 £'000s
Income					RESTATED				RESTATED	
Members' Subscriptions	152,656	158,167	161,182	167,098	173,134	173,403	170,975	169,122	167,467	165,787
Local levy	129	156	142	231	163	196	212	309	300	304
Donations by branch members	389	364	546	299	444	773	22	152	196	107
Allocations to Political Funds	(5,349)	(5,576)	(5,458)	(5,688)	(6,044)	(6,418)	(6,716)	(6,632)	(6,637)	(6,520)
Available Operating Income	147,825	153,111	156,412	161,940	167,697	167,954	164,493	162,951	161,326	159,678
Non-Membership Income	12,966	16,342	14,468	13,761	13,537	12,726	10,242	8,058	8,648	8,939
Total Income	160,791	169,453	170,880	175,701	181,234	180,680	174,735	171,009	169,974	168,617
Total Operating Expenditure	(136,952)	(138,845)	(151,408)	(158,752)	(165,634)	(166,501)	(167,330)	(169,627)	(160,790)	(160,737)
Net Income for the year	21,946	18,045	12,128	10,067	14,733	13,350	5,108	9,118	9,184	7,880
Revaluation of Mabledon Place		-	-	-	-	17,792	850	-	-	-
Actuarial (loses) / gains on pension scheme	23,193	5,990	(40,241)	(32,738)	18,316	(44,977)	(16,525)	12,890	(35,012)	33,804
Surplus/(Deficit) for the year	45,139	24,035	(28,113)	(22,671)	33,049	(13,835)	(10,567)	22,008	(25,828)	41,684

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2006 £'000s	2007 £'000s	2008 £'000s	2009 £'000s	2010 £'000s	2011 £'000s	2012 £'000s	2013 £'000s	2014 £'000s	2015 £'000s
	RESTATED	RESTATED	RESTATED						RESTATED	
Tangible Assets										
Investments	51,644	54,947	68,049	99,849	108,907	113,731	110,900	106,516	102,653	98,258
Intangible Asset	3,334	2,408	2,654	2,584	2,220	22,147	2,153	2,052	1,984	4,192
Joint Venture	488	-	-	-	-	-	5,650	5,650	5,650	5,575
Total Fixed Assets	55,466	57,355	70,703	102,433	111,127	135,878	118,703	114,218	110,287	108,025
Current Assets	101,903	124,446	114,453	113,628	136,954	111,388	119,460	119,636	129,814	141,404
Current Liabilities	(10,766)	(14,541)	(18,259)	(21,819)	(32,300)	(20,399)	(16,182)	(12,156)	(15,016)	(13,600)
Net Current Assets	91,137	109,905	96,194	91,809	104,654	90,989	103,278	107,480	114,798	127,804
Creditors due in more than one year	-	-	-	(18,552)	(29,227)	(14,087)	(6,000)	-	-	-
Provisions for liabilities and charges	(430)	(587)	-	-	-	-	-	-	-	-
Net Assets excluding pension scheme	146,173	166,673	166,897	175,690	186,554	212,780	215,981	221,698	225,085	235,829
Pension fund deficit	(34,103)	(22,768)	(57,249)	(88,713)	(66,528)	(106,589)	(120,356)	(104,065)	(133,280)	(102,340)
Total Net Assets	112,070	143,905	109,648	86,977	120,026	106,191	95,625	117,633	91,805	133,489
Represented by:										
Reserves	146,173	166,673	166,897	175,690	186,554	212,780	215,981	221,698	225,085	235,829
Pension scheme liability	(34,103)	(22,768)	(57,249)	(88,713)	(66,528)	(106,589)	(120,356)	(104,065)	(133,280)	(102,340)
Accumulated Reserves	112,070	143,905	109,648	86,977	120,026	106,191	95,625	117,633	91,805	133,489
Average number of employees	1,144	1,123	1,123	1,140	1,127	1,133	1,180	1,206	1,206	1,226

